

**COST OF GOVERNMENT COMMISSION
MINUTES
Kalana O Maui Building, 9th Floor, Mayor's Conference Room
Thursday, October 16, 2014**

PRESENT: Tina Gomes, Chair
Garrett Evans, Member
Kent Hiranaga, Member
Gabriel Hoeffken, Member
Stanford Lantias, Member (arrive 10:10 a.m.)
Gayle Long, Member (arrive 10:29 a.m.)
Dale Thompson, Member
John Watling, Member

STAFF: Gary Murai, Deputy Corporation Counsel
Gina Gormley, Technical Writer for the Commission

OTHER: Mike Molina, Executive Assistant, Office of the Mayor
Lance Taguchi, County Auditor
Don Ikeno, Senior Auditor, Office of the County Auditor
Camille Sakamoto, Administrative Officer, Office of the County Auditor

I. CALL MEETING TO ORDER

Chair Gomes called the meeting to order at 10:01 a.m.

II. ROLL CALL

III. ELECTION OF VICE-CHAIR

Commissioner Thompson moved to nominate Commissioner Evans. Commissioner Watling seconded the motion. The motion passed without objection. Commissioner Lantias and Commissioner Long were excused.

IV. PUBLIC TESTIMONY

There was no public testimony.

V. REVIEW AND APPROVE SEPTEMBER 11, 2014 MEETING MINUTES

Commissioner Evans moved that the September 11, 2014 minutes be approved, and Commissioner Thompson seconded the motion. The motion passed without objection. Commissioner Lantias and Commissioner Long were excused.

VI. REVIEW AND DISCUSS CORRESPONDENCE RECEIVED

A. Email from Chairman John Ornellas of the Lanai Planning Commission

The Commission acknowledged receipt of John Ornellas's email. Chair Gomes recommended the email be filed. The County Planning Commissions' T.I.G. may pursue the matter if they wish.

VII. COUNTY AUDITOR'S UPDATE

County Auditor Lance Taguchi introduced their new Senior Auditor, Don Ikeno, who started on October 1, 2014. Don Ikeno gave a brief introduction. The addition of Senior Auditor Ikeno completes the recruitment process for the Office of the County Auditor.

Senior Auditor Ikeno will be assigned one of the two Fiscal Year (FY) 2015 audits. County Auditor Taguchi is considering outsourcing the other FY 2015 audit. Performance Audits generally take approximately nine months to produce. There is a lot of research, documentation, and findings involved.

VIII. DISCUSS 2014-2015 ANNUAL REPORT

A. Update of T.I.G. of County Planning Commissions

Commissioner Hiranaga informed the Commission that the T.I.G. was inactive this past month because Commissioner Watling was on vacation and Commissioner Hiranaga had to attend a planning conference.

Commissioner Watling informed the Commission that the T.I.G. met on October 14, 2014 and reviewed the data collected so far. The T.I.G. also discussed the email received from John Ornellas and are taking any recommendations under advisement.

B. Membership of County Planning Commissions T.I.G.

Commissioner Watling has agreed to become the Chair of the County Planning Commissions T.I.G. Commissioner Hiranaga informed the Commission that the Governor appointed him to the State Land Use Commission. He informed the Commission that he will continue to serve on the Cost of Government Commission until March 31, 2015 and will provide his resignation to the Mayor in January 2015.

C. Update of T.I.G. of Grants Making System & Process

Commissioner Evans informed the Commission that he met with Budget Director Sandy Baz on September 23, 2014. A proposal was made in 2012 to consolidate the grants review process. The following concerns arose: 1) The Department of Finance does not have the resources required to monitor the grants review process, and, 2) The Maui Budget office falls directly under control of the Mayor which would raise a political issue.

Commissioner Evans asked about creating an independent office to manage the grants which Budget Director Baz agreed would be a great idea. Budget Director

Baz is currently looking for software to administer and track the financial side of grants so that the money being disbursed can be monitored and recorded. The goal would be to have each individual department implement the software program.

If the Commission made the recommendation to replace line-item grants with appropriations for broader purposes, Budget Director Baz said they would support such a recommendation.

Budget Director Baz provided a complete list of grants that the county has issued.

Commissioner Evans has a meeting with Council Member Mike White. Commissioner Evans will schedule a meeting with the Mayor to discuss replacing line-item grants with appropriations for broader purposes.

Commissioner Long informed the Commission that there needs to be a clear and measurable process on how public funds are spent and how the grant is evaluated. This will provide accountability and transparency to the public. She informed the Commission that the expenditures of public funds have to be improved services for the County. There should be a review of what is needed in the County, a determination of how funds is to be divided up, and a thoughtful process of how the money is granted.

Chair Gomes asked County Auditor Taguchi whether the Office of the County Auditor would be able to monitor the grants review process. County Auditor Taguchi informed the Commission that they are able to look at individual grants; however, he would need to research whether they are able to monitor and track the grants and grantees and whether the grantees are carrying out their function for which they were awarded the grant in the first place.

IX. DETERMINE NEXT MEETING DATE, TIME, AND AGENDA

A. Agenda Setting – Proposed Budget

County Auditor Taguchi informed the Commission that in preparation for the Mayor's proposed budget, the Office of the Mayor is in the process of requesting information from the various departments and communities. The Commission will send their budget request to the Office of the County Auditor. The Office of the County Auditor will incorporate the Commission's budget request into the Office of the County Auditor's budget request to the Mayor. This in turn will be incorporated into the Mayor's proposed budget which will be submitted to the Maui County Council. County Auditor Taguchi is suggesting that the Commission's proposed budget for Fiscal Year 2016 be placed on the next meeting's agenda. The Commission needs to decide what their budget will be. The current budget is \$20,000.

B. Next Meeting

The next meeting is scheduled for November 13, 2014, in the Mayor's Conference Room, at 10:00 a.m.

XII. ADJOURNMENT

Commissioner Long moved and Commissioner Evans seconded the motion to adjourn. The motion passed unanimously. The meeting adjourned at 11:22 p.m.